

Senate File 356 - Introduced

SENATE FILE 356

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 1124)

A BILL FOR

1 An Act relating to local government property taxes, financial
2 authority, operations, and budgets, and including effective
3 date and applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

COUNTY PROPERTY TAXES AND BUDGETS

Section 1. Section 331.301, subsection 10, paragraph e, subparagraph (1), Code 2023, is amended to read as follows:

(1) (a) The board must follow substantially the authorization procedures of [section 331.443](#) to authorize a lease or lease-purchase contract for personal property which is payable from the general fund. The board must follow substantially the authorization procedures of section 331.443 to authorize a lease or lease-purchase contract for real property which is payable from the general fund if the principal amount of the lease-purchase contract does not exceed the following limits:

(i) ~~Four~~ Two hundred eighty thousand dollars in a county having a population of twenty-five thousand or less.

(ii) ~~Five~~ Three hundred fifty thousand dollars in a county having a population of more than twenty-five thousand but not more than fifty thousand.

(iii) ~~Six~~ Four hundred twenty thousand dollars in a county having a population of more than fifty thousand but not more than one hundred thousand.

(iv) ~~Eight~~ Five hundred sixty thousand dollars in a county having a population of more than one hundred thousand but not more than two hundred thousand.

(v) ~~One million~~ Seven hundred thousand dollars in a county having a population of more than two hundred thousand.

(b) However, if the principal amount of a lease or lease-purchase contract pursuant to this subparagraph (1) is less than ~~twenty-five~~ seventeen thousand five hundred dollars, the board may authorize the lease or lease-purchase contract without following the authorization procedures of section 331.443.

Sec. 2. Section 331.402, subsection 3, paragraph d, subparagraph (1), subparagraph divisions (a), (b), (c), (d), and (e), Code 2023, are amended to read as follows:

1 (a) ~~Four~~ Two hundred eighty thousand dollars in a county
2 having a population of twenty-five thousand or less.

3 (b) ~~Five~~ Three hundred fifty thousand dollars in a county
4 having a population of more than twenty-five thousand but not
5 more than fifty thousand.

6 (c) ~~Six~~ Four hundred twenty thousand dollars in a county
7 having a population of more than fifty thousand but not more
8 than one hundred thousand.

9 (d) ~~Eight~~ Five hundred sixty thousand dollars in a county
10 having a population of more than one hundred thousand but not
11 more than two hundred thousand.

12 (e) ~~One million~~ Seven hundred thousand dollars in a county
13 having a population of more than two hundred thousand.

14 Sec. 3. Section 331.403, subsection 1, Code 2023, is amended
15 to read as follows:

16 1. Not later than December 1 of each year on forms and
17 pursuant to instructions prescribed by the department of
18 management, a county shall prepare an annual financial report
19 showing for each county fund the financial condition as of
20 June 30 and the results of operations for the year then ended.
21 Copies of the report shall be maintained as a public record at
22 the auditor's office and shall be filed with the director of
23 the department of management and with the auditor of state by
24 December 1. A summary of the report, in a form prescribed by
25 the director, shall be published by each county not later than
26 December 1 of each year in one or more newspapers which meet
27 the requirements of [section 618.14](#). Beginning with the annual
28 financial report filed by December 1, 2024, each report shall
29 include a list of bonds, notes, or other obligations issued by
30 the county during the preceding fiscal year payable from any
31 source, including the amount of the issuance, the project or
32 purpose of the issuance, whether the issuance was approved
33 at election or eligible to be subject to a petition for an
34 election, and identification of issuances from the fiscal year
35 or prior fiscal years related to the same project or purpose.

1 Sec. 4. Section 331.423, Code 2023, is amended to read as
2 follows:

3 **331.423 Basic levies — maximums — adjustments.**

4 Annually, the board may certify basic levies, subject to the
5 following limits:

6 1. For general county services~~;~~:

7 a. For fiscal years beginning before July 1, 2024, three
8 dollars and fifty cents per thousand dollars of the assessed
9 value of all taxable property in the county.

10 b. For the fiscal year beginning July 1, 2024, a levy rate
11 per thousand dollars of taxable value equal to the sum of three
12 dollars and fifty cents plus the sum of the amount per thousand
13 dollars of taxable value levied by the county under section
14 331.424, subsection 1, paragraph "a", subparagraph (6), Code
15 2023, for the fiscal year beginning July 1, 2023, and the sum
16 of the amount per thousand dollars of taxable value levied for
17 general county services under section 331.426, Code 2023, for
18 the fiscal year beginning July 1, 2023.

19 c. (1) For each fiscal year beginning on or after July 1,
20 2025, subject to paragraph "d", the greater of three dollars
21 and fifty cents per thousand dollars of assessed value used to
22 calculate taxes for the budget year and the amount determined
23 under paragraph "b", as adjusted under subparagraph (2), if
24 applicable.

25 (2) If the total assessed value used to calculate taxes for
26 general county services for the budget year exceeds one hundred
27 two and one-half percent of the total assessed value used to
28 calculate taxes for the current fiscal year, the levy rate per
29 thousand dollars determined under paragraph "b", as previously
30 adjusted under this subparagraph, if applicable, shall be
31 reduced to a rate per one thousand dollars of assessed value
32 that is equal to one thousand multiplied by the quotient of the
33 current fiscal year's actual property tax dollars certified for
34 levy under this subsection 1 divided by one hundred two and
35 one-half percent of the total assessed value used to calculate

1 taxes for the current fiscal year.

2 d. In addition to the limitation under paragraph "c",
 3 for fiscal years beginning on or after July 1, 2025, if the
 4 county's actual levy rate imposed under this subsection for the
 5 current fiscal year is three dollars and fifty cents or less
 6 per thousand dollars of assessed value and the total assessed
 7 value used to calculate taxes for the budget year exceeds one
 8 hundred three and twenty-five hundredths percent of the total
 9 assessed value used to calculate taxes for the current fiscal
 10 year, the levy rate imposed under this subsection for the
 11 budget year shall not exceed a rate per one thousand dollars
 12 of assessed value that is equal to one thousand multiplied by
 13 the quotient of the current fiscal year's actual property tax
 14 dollars certified for levy under this subsection 1 divided by
 15 one hundred three and twenty-five hundredths percent of the
 16 total assessed value used to calculate taxes for the current
 17 fiscal year.

18 2. For rural county services:

19 a. For fiscal years beginning before July 1, 2024, three
 20 dollars and ninety-five cents per thousand dollars of the
 21 assessed value of taxable property in the county outside of
 22 incorporated city areas.

23 b. For the fiscal year beginning July 1, 2024, a levy rate
 24 per thousand dollars of taxable value equal to the sum of three
 25 dollars and ninety-five cents plus the sum of the amount per
 26 thousand dollars of taxable value levied for rural county
 27 services under section 331.426, Code 2023, for the fiscal year
 28 beginning July 1, 2023.

29 c. (1) For each fiscal year beginning on or after July 1,
 30 2025, subject to paragraph "d", the greater of three dollars
 31 and ninety-five cents per thousand dollars of assessed value
 32 used to calculate taxes for the budget year and the amount
 33 determined under paragraph "b", as adjusted under subparagraph
 34 (2), if applicable.

35 (2) If the total assessed value used to calculate taxes

1 for rural county services under this subsection for the budget
 2 year exceeds one hundred two and one-half percent of the total
 3 assessed value used to calculate taxes for the current fiscal
 4 year, the levy rate per thousand dollars determined under
 5 paragraph "b", as previously adjusted under this subparagraph,
 6 if applicable, shall be reduced to a rate per one thousand
 7 dollars of assessed value that is equal to one thousand
 8 multiplied by the quotient of the current fiscal year's actual
 9 property tax dollars certified for levy under this subsection 2
 10 divided by one hundred two and one-half percent of the total
 11 assessed value used to calculate taxes for the current fiscal
 12 year.

13 d. In addition to the limitation under paragraph "c",
 14 for fiscal years beginning on or after July 1, 2025, if the
 15 county's actual levy rate imposed under this subsection for
 16 the current fiscal year is three dollars and ninety-five
 17 cents or less per thousand dollars of assessed value and the
 18 total assessed value used to calculate taxes for the budget
 19 year exceeds one hundred three and twenty-five hundredths
 20 percent of the total assessed value used to calculate taxes
 21 for the current fiscal year, the levy rate imposed under this
 22 subsection for the budget year shall not exceed a rate per
 23 one thousand dollars of assessed value that is equal to one
 24 thousand multiplied by the quotient of the current fiscal
 25 year's actual property tax dollars certified for levy under
 26 this subsection 2 divided by one hundred three and twenty-five
 27 hundredths percent of the total assessed value used to
 28 calculate taxes for the current fiscal year.

29 3. For purposes of this section:

30 a. "Budget year" means the same as defined in section
 31 331.433A, subsection 1.

32 b. "Current fiscal year" means the same as defined in
 33 section 331.433A, subsection 1.

34 Sec. 5. Section 331.424, subsection 1, paragraph a,
 35 subparagraph (6), Code 2023, is amended by striking the

1 subparagraph.

2 Sec. 6. Section 331.426, Code 2023, is amended to read as
3 follows:

4 **331.426 Additions to basic levies.**

5 1. If a county has ~~unusual circumstances~~ a natural disaster,
6 creating a need for additional property taxes for general
7 county services or rural county services in excess of the
8 amount that can be raised by the levies otherwise permitted
9 under sections 331.423 through 331.425, the board may certify
10 additions to each of the basic levies ~~as follows:~~ by complying
11 with the provisions of subsection 2.

12 ~~1. The basis for justifying an additional property tax under~~
13 ~~this section must be one or more of the following:~~

14 ~~a. An unusual increase in population as determined by the~~
15 ~~preceding certified federal census.~~

16 ~~b. A natural disaster or other emergency.~~

17 ~~c. Unusual problems relating to major new functions required~~
18 ~~by state law.~~

19 ~~d. Unusual staffing problems.~~

20 ~~e. Unusual need for additional moneys to permit continuance~~
21 ~~of a program which provides substantial benefit to county~~
22 ~~residents.~~

23 ~~f. Unusual need for a new program which will provide~~
24 ~~substantial benefit to county residents, if the county~~
25 ~~establishes the need and the amount of necessary increased~~
26 ~~cost.~~

27 ~~g. A reduced or unusually low growth rate in the property~~
28 ~~tax base of the county.~~

29 2. a. The public notice of a hearing on the county budget
30 required by section 331.434, subsection 3, shall include the
31 following additional information ~~for the applicable class of~~
32 services related to the natural disaster:

33 (1) A statement that the accompanying budget summary
34 requires a proposed basic property tax rate exceeding the
35 maximum rate established by the general assembly.

1 (2) A comparison of the proposed basic tax rate with the
2 maximum basic tax rate, and the dollar amount of the difference
3 between the proposed rate and the maximum rate.

4 (3) A statement of the major reasons resulting from the
5 natural disaster for the difference between the proposed basic
6 tax rate and the maximum basic tax rate.

7 b. The information required by this subsection shall be
8 published in a conspicuous form as prescribed by the committee.

9 Sec. 7. Section 331.433A, subsection 5, paragraph b, Code
10 2023, is amended to read as follows:

11 b. (1) If the sum of the maximum property tax dollars
12 for the budget year specified in the resolution for either
13 general county services or for rural county services under the
14 levies specified in subsection 2, paragraphs "a" and "b", as
15 applicable, exceeds one hundred two percent of the sum of the
16 current fiscal year's actual property taxes certified for levy
17 for general county services or rural county services under the
18 levies specified in subsection 2, paragraphs "a" and "b", as
19 applicable, the board shall be required to adopt the resolution
20 by a two-thirds majority of the membership of the board.

21 (2) (a) For the budget year beginning July 1, 2024, the
22 amount of the current fiscal year's actual property taxes
23 certified for levy for general county services shall include
24 amounts certified for levy under section 331.424, subsection 1,
25 paragraph "a", subparagraph (6), Code 2023, and under section
26 331.426, Code 2023.

27 (b) For the budget year beginning July 1, 2024, the amount
28 of the current fiscal year's actual property taxes certified
29 for levy for rural county services shall include amounts
30 certified for levy under Code section 331.426, Code 2023.

31 Sec. 8. Section 331.441, subsection 2, paragraph b,
32 subparagraph (5), subparagraph divisions (a), (b), (c), (d),
33 and (e), Code 2023, are amended to read as follows:

34 (a) ~~Six~~ Four hundred twenty thousand dollars in a county
35 having a population of twenty-five thousand or less.

1 (b) ~~Seven~~ Five hundred ~~fifty~~ twenty-five thousand dollars
2 in a county having a population of more than twenty-five
3 thousand but not more than fifty thousand.

4 (c) ~~Nine~~ Six hundred thirty thousand dollars in a county
5 having a population of more than fifty thousand but not more
6 than one hundred thousand.

7 (d) ~~One million two~~ Eight hundred forty thousand dollars in
8 a county having a population of more than one hundred thousand
9 but not more than two hundred thousand.

10 (e) One million ~~five hundred~~ fifty thousand dollars in a
11 county having a population of more than two hundred thousand.

12 Sec. 9. Section 331.441, subsection 2, paragraph c,
13 subparagraph (11), Code 2023, is amended by striking the
14 subparagraph.

15 Sec. 10. Section 331.442, subsection 5, paragraph a,
16 subparagraphs (1), (2), and (3), Code 2023, are amended to read
17 as follows:

18 (1) In counties having a population of twenty thousand
19 or less, in an amount of not more than ~~one hundred~~ seventy
20 thousand dollars.

21 (2) In counties having a population of over twenty thousand
22 and not over fifty thousand, in an amount of not more than ~~two~~
23 one hundred forty thousand dollars.

24 (3) In counties having a population of over fifty thousand,
25 in an amount of not more than ~~three~~ two hundred ten thousand
26 dollars.

27 Sec. 11. EFFECTIVE DATE. This division of this Act takes
28 effect July 1, 2024.

29 Sec. 12. APPLICABILITY. This division of this Act applies
30 to taxes and budgets for fiscal years beginning on or after
31 July 1, 2024.

32 DIVISION II

33 CITY PROPERTY TAXES AND BUDGETS

34 Sec. 13. Section 24.48, subsection 5, Code 2023, is amended
35 by adding the following new paragraph:

1 NEW PARAGRAPH. *c.* For budgets for fiscal years beginning on
 2 or after July 1, 2024, if the political subdivision is a city,
 3 a suspension of the statutory property tax levy limitations
 4 under this section shall only be approved by the state appeal
 5 board in the event of a natural disaster.

6 Sec. 14. Section 28M.5, subsection 1, Code 2023, is amended
 7 to read as follows:

8 1. The commission, with the approval of the board of
 9 supervisors of participating counties and the city council
 10 of participating cities in the [chapter 28E](#) agreement, may
 11 levy annually a tax not to exceed ninety-five cents per
 12 thousand dollars of the assessed value of all taxable property
 13 in a regional transit district to the extent provided in
 14 this section. The [chapter 28E](#) agreement may authorize the
 15 commission to levy the tax at different rates within the
 16 participating cities and counties in amounts sufficient to meet
 17 the revenue responsibilities of such cities and counties as
 18 allocated in the budget adopted by the commission. However,
 19 for a city participating in a regional transit district, the
 20 total of all the tax levies imposed in the city pursuant
 21 to [section 384.12, subsection 1](#), and [this section](#) shall
 22 not exceed the aggregate of ninety-five cents per thousand
 23 dollars of the assessed value of all taxable property in the
 24 participating city.

25 Sec. 15. Section 37.8, Code 2023, is amended to read as
 26 follows:

27 **37.8 Levy for Cost of development, operation, and**
 28 **maintenance.**

29 For the development, operation, and maintenance of a
 30 building or monument constructed, purchased, or donated under
 31 this chapter, a city may ~~levy a tax not to exceed eighty-one~~
 32 ~~cents per thousand dollars of assessed value on all the taxable~~
 33 ~~property within the city, as provided in section 384.12,~~
 34 subsection 2 utilize taxes levied under section 384.1.

35 Sec. 16. Section 357G.8, Code 2023, is amended to read as

1 follows:

2 **357G.8 Election ~~on proposed levy and of~~ candidates for**
 3 **trustees — funding of operations.**

4 1. When a preliminary plat has been approved by the council,
 5 an election shall be held within the district within sixty days
 6 to ~~approve or disapprove the levy of an initial tax of not~~
 7 ~~more than one dollar per thousand dollars of assessed value~~
 8 ~~on all the taxable property within the district and to choose~~
 9 candidates for the offices of trustees of the district. The
 10 ballot shall set out the reason for the tax and the amount
 11 needed. ~~The tax shall be set to raise only the amount needed.~~
 12 Notice of the election, including the time and place of holding
 13 the election, shall be given as provided in [section 357G.4](#).
 14 The vote shall be by ballot ~~which shall state clearly the~~
 15 ~~proposition to be voted upon~~ and any registered voter residing
 16 within the district at the time of the election may vote. It
 17 is not mandatory for the county commissioner of elections
 18 to conduct elections held pursuant to [this chapter](#), but the
 19 elections shall be conducted in accordance with [chapter 49](#)
 20 where not in conflict with [this chapter](#). Judges shall be
 21 appointed to serve without pay by the council from among the
 22 registered voters of the district to be in charge of the
 23 election. The proposition is approved if sixty percent of
 24 those voting on the proposition vote in favor of it.

25 2. ~~a. If the tax authorized under [subsection 1](#) is~~
 26 ~~insufficient to provide the services authorized under this~~
 27 ~~chapter, the trustees may levy an additional annual tax, at~~
 28 ~~a rate necessary to provide the authorized services, if such~~
 29 ~~authority for an additional tax is approved at election held~~
 30 ~~separately and after the election held under [subsection 1](#).~~
 31 The district's operations shall be funded from general fund
 32 property tax revenues certified by the city and levied under
 33 section 384.1.

34 ~~b. By resolution, the council may submit to the registered~~
 35 ~~voters of the district the proposition of levying the~~

1 ~~additional annual tax according to the election procedures~~
2 ~~under subsection 1.~~

3 ~~c. (1) After adoption of the resolution under paragraph~~
4 ~~"b", the~~ The board of trustees shall coordinate efforts with
5 the local emergency medical services agencies to establish
6 a district advisory council to assist in researching and
7 assessing the service needs of the district and guiding
8 implementation of services in the district within a council
9 structure.

10 (2) The district advisory council ~~established under~~
11 ~~subparagraph (1)~~ shall recommend to the board of trustees
12 an amount of funding ~~to be specified on the ballot for the~~
13 ~~election held under this subsection 2 to be requested from the~~
14 city to fund the district and shall annually assess and review
15 the emergency medical services needs of the district and shall
16 include the results of such review and assessment in an annual
17 report filed with the board of trustees. The annual report
18 shall be publicly available upon filing with the board of
19 trustees. The board of trustees shall receive public comment
20 regarding the report at one or more meetings of the board
21 of trustees. Any meeting of the board of trustees at which
22 public comment on the annual report is heard shall be at least
23 fourteen days following the date the annual report is filed
24 with the board of trustees.

25 ~~d. The proposition is adopted if a majority of those~~
26 ~~voting on the proposition at the election approves it. If~~
27 ~~the proposition is approved at election, the trustees may~~
28 ~~impose the additional annual tax beginning with the fiscal~~
29 ~~year beginning July 1 following the election at which the~~
30 ~~proposition was approved. The proposition is not affected by a~~
31 ~~change in the boundaries of the district.~~

32 ~~e. Discontinuance of the authority to impose an additional~~
33 ~~tax under this chapter shall be by petition and election.~~
34 ~~Upon petition of twenty-five percent of the resident eligible~~
35 ~~electors, the board of trustees shall submit to the voters~~

~~1 of the district the question of whether to discontinue the
2 authority to impose the additional tax according to the
3 election procedures under subsection 1. If a majority of those
4 voting on the question of discontinuance of the trustees'
5 authority to impose the tax favors discontinuance, the trustees
6 shall not impose the additional tax for any fiscal year
7 beginning after the election approving the discontinuance,
8 unless imposition is subsequently again authorized at election.
9 Following discontinuance of the authority to impose the
10 additional tax, authority to reimpose the additional tax
11 requires approval in accordance with this subsection.~~

12 Sec. 17. Section 357G.10, Code 2023, is amended to read as
13 follows:

14 **357G.10 Trustees' powers.**

15 The trustees may purchase, own, rent, or maintain emergency
16 medical services apparatus or equipment within the state or
17 outside the territorial jurisdiction and boundary limits of
18 this state, provide housing for such apparatus and equipment,
19 provide emergency medical service and facilities, and may
20 request the city certify for levy an amount of taxes as
21 provided in section 357G.8. The trustees may purchase
22 material, employ emergency medical service and other personnel,
23 and may perform all other acts necessary to properly maintain
24 and operate the district. The trustees may contract with any
25 other city or county or public or private agency under chapter
26 28E for the purpose of providing emergency medical services
27 under this chapter. The trustees are allowed necessary
28 expenses in the discharge of their duties, but they shall not
29 receive a salary.

30 Sec. 18. Section 357G.12, Code 2023, is amended to read as
31 follows:

32 **357G.12 Dissolution of district.**

33 Upon petition of thirty-five percent of the resident
34 eligible electors, the council may dissolve a district and
35 dispose of any remaining property, the proceeds of which shall

1 first be applied against outstanding obligations and any
 2 balance shall be applied to tax credit of property owners of
 3 the district. The council shall ~~continue to levy a tax after~~
 4 ~~dissolution of a district, of not to exceed twenty-seven cents~~
 5 ~~per thousand dollars of assessed value on all the taxable~~
 6 ~~property of the district,~~ appropriate taxes levied under
 7 section 384.1 until all outstanding obligations of the district
 8 are paid.

9 Sec. 19. Section 357G.13, Code 2023, is amended to read as
 10 follows:

11 **357G.13 Adding property to district.**

12 Any property in an unincorporated area contiguous to the
 13 boundaries of an established district which is annexed by the
 14 city shall be included in the district. ~~The tax levy for the~~
 15 ~~next year shall be applied to the property and on the first day~~
 16 ~~of the next fiscal year, the property shall become a part of~~
 17 ~~the district.~~

18 Sec. 20. Section 357J.18, Code 2023, is amended to read as
 19 follows:

20 **357J.18 Transition — emergency medical services district**
 21 **taxes discontinued.**

22 When the boundary lines of the emergency response district
 23 include all or a portion of an emergency medical services
 24 district under [chapter 357F](#) or [chapter 357G](#) and the emergency
 25 response district has certified a tax to be levied on property
 26 located within the emergency medical services district for
 27 the purpose of emergency medical service, the emergency
 28 medical services district trustees shall no longer levy the
 29 taxes authorized in [section 357F.8](#) or ~~[section 357G.8](#)~~ utilize
 30 tax revenue levied under section 384.1 for emergency medical
 31 services district purposes in that portion of such emergency
 32 medical services district that is provided services by the
 33 emergency response district. Any indebtedness incurred by
 34 an emergency medical services district under [chapter 357F](#)
 35 ~~or [chapter 357G](#)~~ for a service now provided by the emergency

1 response district shall be assumed by the emergency response
2 district.

3 Sec. 21. Section 384.1, Code 2023, is amended to read as
4 follows:

5 **384.1 Taxes certified.**

6 1. A city may certify taxes to be levied by the county
7 on all taxable property within the city limits, for all city
8 government purposes. ~~However, the~~

9 2. a. Notwithstanding subsection 3, the tax levied by
10 a city on tracts of land and improvements thereon used and
11 assessed for agricultural or horticultural purposes, shall
12 not exceed three dollars and three-eighths cents per thousand
13 dollars of assessed value in any year. Improvements located
14 on such tracts of land and not used for agricultural or
15 horticultural purposes and all residential dwellings are
16 subject to the same rate of tax levied by the city on all other
17 taxable property within the city. A

18 3. a. For fiscal years beginning before July 1, 2024, a
19 city's tax levy for the general fund shall not exceed eight
20 dollars and ten cents per thousand dollars of ~~taxable~~ assessed
21 value used to calculate taxes in any tax year, except for the
22 levies authorized in [section 384.12](#).

23 b. For the fiscal year beginning July 1, 2024, a city's
24 tax levy for the general fund, except for levies authorized in
25 section 384.12, shall not exceed the sum of eight dollars and
26 ten cents per thousand dollars of taxable value plus the sum of
27 the following for the city, as applicable:

28 (1) The amount per thousand dollars of taxable value levied
29 by or on behalf of the city under section 384.8, Code 2023, for
30 the fiscal year beginning July 1, 2023.

31 (2) The total amount per thousand dollars of taxable value
32 levied by or on behalf of the city under section 384.12,
33 subsections 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 15, 16, 18,
34 and 20, Code 2023, for the fiscal year beginning July 1, 2023.

35 (3) The amount per thousand dollars of taxable value levied

1 by the city under section 24.48, Code 2023, for the fiscal year
2 beginning July 1, 2023.

3 c. (1) For each fiscal year beginning on or after July
4 1, 2025, subject to paragraph "d", a city's tax levy for the
5 general fund, except for levies authorized in section 384.12,
6 shall not exceed in any tax year the greater of eight dollars
7 and ten cents per thousand dollars of assessed value used to
8 calculate taxes for the budget year and the amount determined
9 under paragraph "b", as adjusted under subparagraph (2), if
10 applicable.

11 (2) If the total assessed value used to calculate taxes
12 for the budget year exceeds one hundred two and one-half
13 percent of the total assessed value used to calculate taxes for
14 the current fiscal year, the levy rate per thousand dollars
15 determined under paragraph "b", as previously adjusted under
16 this subparagraph, if applicable, shall be reduced to a rate
17 per one thousand dollars of assessed value that is equal to
18 one thousand multiplied by the quotient of the current fiscal
19 year's actual property tax dollars certified for levy under
20 this section divided by one hundred two and one-half percent
21 of the total assessed value used to calculate taxes for the
22 current fiscal year.

23 d. In addition to the limitation under paragraph "c", for
24 fiscal years beginning on or after July 1, 2025, if the city's
25 actual levy rate imposed under this section for the current
26 fiscal year is eight dollars and ten cents or less per thousand
27 dollars of assessed value and the total assessed value used to
28 calculate taxes for the budget year exceeds one hundred three
29 and twenty-five hundredths percent of the total assessed value
30 used to calculate taxes for the current fiscal year, the levy
31 rate imposed under this section for the budget year shall not
32 exceed a rate per one thousand dollars of assessed value that
33 is equal to one thousand multiplied by the quotient of the
34 current fiscal year's actual property tax dollars certified
35 for levy under this section divided by one hundred three and

1 twenty-five hundredths percent of the total assessed value used
2 to calculate taxes for the current fiscal year.

3 4. For purposes of this section:

4 a. "Budget year" means the same as defined in section
5 384.15A, subsection 1.

6 b. "Current fiscal year" means the same as defined in
7 section 384.15A, subsection 1.

8 Sec. 22. Section 384.12, Code 2023, is amended to read as
9 follows:

10 **384.12 Additional taxes.**

11 A city may certify, for the general fund levy, taxes which
12 are not subject to the limit provided in [section 384.1](#), and
13 which are in addition to any other moneys the city may wish to
14 spend for such purposes, as follows:

15 ~~1. A tax not to exceed thirteen and one-half cents~~
16 ~~per thousand dollars of assessed value for the support of~~
17 ~~instrumental or vocal musical groups, one or more organizations~~
18 ~~which have tax-exempt status under section 501(c)(3) of~~
19 ~~the Internal Revenue Code and are organized and operated~~
20 ~~exclusively for artistic and cultural purposes, or any of these~~
21 ~~purposes, subject to the following:~~

22 ~~a. Upon receipt of a petition valid under the provisions of~~
23 ~~[section 362.4](#), the council shall submit to the voters at the~~
24 ~~next regular city election the question of whether a tax shall~~
25 ~~be levied.~~

26 ~~b. If a majority approves the levy, it may be imposed.~~

27 ~~c. The levy can be eliminated by the same procedure of~~
28 ~~petition and election.~~

29 ~~d. A tax authorized by an election held prior to the~~
30 ~~effective date of the city code may be continued until~~
31 ~~eliminated by the council, or by petition and election.~~

32 ~~2. A tax not to exceed eighty-one cents per thousand dollars~~
33 ~~of assessed value for development, operation, and maintenance~~
34 ~~of a memorial building or monument, subject to the provisions~~
35 ~~of [subsection 1](#).~~

1 ~~3. A tax not to exceed thirteen and one-half cents per~~
 2 ~~thousand dollars of assessed value for support of a symphony~~
 3 ~~orchestra, subject to the provisions of subsection 1.~~

4 ~~4. A tax not to exceed twenty-seven cents per thousand~~
 5 ~~dollars of assessed value for the operation of cultural and~~
 6 ~~scientific facilities, subject to the provisions of subsection~~
 7 ~~1, except that the question may be submitted on the council's~~
 8 ~~own motion.~~

9 ~~5. A tax to aid in the construction of a county bridge,~~
 10 ~~subject to the provisions of subsection 1, except that the~~
 11 ~~question must be submitted at a special election. The expense~~
 12 ~~of a special election under this subsection must be paid by the~~
 13 ~~county. The notice of the special election must include full~~
 14 ~~details of the proposal, including the location of the proposed~~
 15 ~~bridge, the rate of tax to be levied, and all other conditions.~~

16 ~~6. A tax to aid a company incorporated under the laws of~~
 17 ~~this state in the construction of a highway or combination~~
 18 ~~bridge across any navigable boundary river of this state,~~
 19 ~~commencing or terminating in the city and suitable for use~~
 20 ~~as highway, or for both highway and railway purposes. This~~
 21 ~~tax levy is subject to the provisions of subsections 1 and 5.~~
 22 ~~The levy is limited to one dollar and thirty-five cents per~~
 23 ~~thousand dollars of the assessed value of taxable property in~~
 24 ~~the city. The estimated cost of the bridge must be at least~~
 25 ~~ten thousand dollars, and the city aid may not exceed one-half~~
 26 ~~of the estimated cost. The notice of the special election~~
 27 ~~must include the name of the corporation to be aided, and all~~
 28 ~~conditions required of the corporation. Tax moneys received~~
 29 ~~for this purpose may not be paid over by the county treasurer~~
 30 ~~until the city has filed a statement that the corporation has~~
 31 ~~complied with all conditions.~~

32 ~~7. If a tax has been voted for aid of a bridge under~~
 33 ~~subsection 6, a further tax may be voted for the purpose of~~
 34 ~~purchasing the bridge, subject to the provisions of subsection~~
 35 ~~1. The levy under this subsection is limited to three dollars~~

~~1 and thirty-seven and one-half cents per thousand dollars of the
2 assessed value of the taxable property in the city, payable in
3 not less than ten annual installments.~~

~~4 8. A tax for the purpose of carrying out the terms of a
5 contract for the use of a bridge by a city situated on a river
6 over which a bridge has been built. The tax may not exceed
7 sixty-seven and one-half cents per thousand dollars of assessed
8 value each year.~~

~~9 9. A tax for aid to a public transportation company,
10 subject to the procedure provided in [subsection 1](#), except the
11 question must be submitted at a special election. The levy is
12 limited to three and three-eighths cents per thousand dollars
13 of assessed value. In addition to any other conditions the
14 following requirements must be met before moneys received for
15 this purpose may be paid over by the county treasurer:~~

~~16 a. The public transportation company shall provide the city
17 with copies of state and federal income tax returns for the
18 five years preceding the year for which payment is contemplated
19 or for such lesser period of time as the company has been in
20 operation.~~

~~21 b. The city shall, in any given year, be authorized to pay
22 over only such sums as will yield not to exceed two percent
23 of the public transportation company's investment as the same
24 is valued in its tax depreciation schedule, provided that
25 corporate profits and losses for the five preceding years or
26 for such lesser period of time as the company has been in
27 operation shall not average in excess of a two percent net
28 return. Taxes levied under [this subsection](#) may not be used to
29 subsidize losses incurred prior to the election required by
30 [this subsection](#).~~

~~31 10. 1. A tax for the operation and maintenance of a
32 municipal transit system or for operation and maintenance of a
33 regional transit district, and for the creation of a reserve
34 fund for the system or district, in an amount not to exceed
35 ninety-five cents per thousand dollars of assessed value each~~

1 year, when the revenues from the transit system or district are
2 insufficient for such purposes.

3 ~~11. If a city has entered into a lease of a building or~~
4 ~~complex of buildings to be operated as a civic center, a tax~~
5 ~~sufficient to pay the installments of rent and for maintenance,~~
6 ~~insurance and taxes not included in the lease rental payments.~~

7 ~~12. A tax not to exceed thirteen and one-half cents per~~
8 ~~thousand dollars of assessed value each year for operating and~~
9 ~~maintaining a civic center owned by a city.~~

10 ~~13. A tax not to exceed six and three-fourths cents per~~
11 ~~thousand dollars of assessed value for planning a sanitary~~
12 ~~disposal project.~~

13 ~~14. 2. A tax not to exceed twenty-seven cents per thousand~~
14 ~~dollars of assessed value each year for an aviation authority~~
15 ~~as provided in [section 330A.15](#).~~

16 ~~15. A tax not to exceed six and three-fourths cents per~~
17 ~~thousand dollars of assessed value each year for a levee~~
18 ~~improvement fund in special charter cities as provided in~~
19 ~~[section 420.155](#).~~

20 ~~16. A tax not to exceed twenty and one-half cents per~~
21 ~~thousand dollars of assessed value each year to maintain an~~
22 ~~institution received by gift or devise, subject to an election~~
23 ~~as required under [subsection 1](#).~~

24 ~~17. 3. A tax to pay the premium costs on tort liability~~
25 ~~insurance, property insurance, and any other insurance that~~
26 ~~may be necessary in the operation of the city, the costs of a~~
27 ~~self-insurance program, the costs of a local government risk~~
28 ~~pool and amounts payable under any insurance agreements to~~
29 ~~provide or procure such insurance, self-insurance program, or~~
30 ~~local government risk pool.~~

31 ~~18. A tax to fund an emergency medical services district~~
32 ~~under [chapter 3576](#).~~

33 ~~19. 4. A tax that exceeds any tax levy limit within this~~
34 ~~chapter, provided the question has been submitted at a special~~
35 ~~levy election and received a simple majority of the votes cast~~

1 on the proposition to authorize the enumerated levy limit to be
2 exceeded for the proposed budget year.

3 *a.* The election may be held as specified in [this subsection](#)
4 if notice is given by the city council, not later than
5 forty-six days before the first Tuesday in March, to the county
6 commissioner of elections that the election is to be held.

7 *b.* An election under [this subsection](#) shall be held on
8 the first Tuesday in March and be conducted by the county
9 commissioner of elections in accordance with the law.

10 *c.* The ballot question shall be in substantially the
11 following form:

12 WHICH TAX LEVY SHALL BE ADOPTED FOR THE CITY OF?

13 (Vote for only one of the following choices.)

14 CHANGE LEVY AMOUNT ...

15 Add to the existing levy amount a tax for the purpose of
16 (state purpose of proposed levy) at a rate of ...
17 (rate) which will provide an additional \$.... (amount).

18 KEEP CURRENT LEVY ...

19 Continue under the current maximum rate of ..., providing
20 \$.... (amount).

21 *d.* The commissioner of elections conducting the election
22 shall notify the city officials and other county auditors where
23 applicable, of the results within two days of the canvass which
24 shall be held on the second day that is not a holiday following
25 the special levy election, and beginning no earlier than 1:00
26 p.m. on that day.

27 *e.* Notice of the election shall be published twice in
28 accordance with the provisions of [section 362.3](#), except that
29 the first such notice shall be given at least two weeks before
30 the election.

31 *f.* The cost of the election shall be borne by the city.

32 *g.* The election provisions of [this subsection](#) shall
33 supersede other provisions for elections only to the extent
34 necessary to comply with the provisions of [this subsection](#).

35 *h.* The provisions of [this subsection](#) apply to all cities,

1 however organized, including special charter cities which may
 2 adopt ordinances where necessary to carry out these provisions.
 3 *i.* The council shall certify the city's budget with the tax
 4 askings not exceeding the amount approved by the special levy
 5 election.

6 ~~20. A tax not to exceed twenty-seven cents per thousand~~
 7 ~~dollars of assessed value for support of a public library,~~
 8 ~~subject to petition and referendum requirements of subsection~~
 9 ~~1, except that if a majority approves the levy, it shall be~~
 10 ~~imposed.~~

11 ~~21.~~ 5. A tax for the support of a local emergency
 12 management commission established pursuant to [chapter 29C](#).

13 Sec. 23. Section 384.15A, subsection 2, Code 2023, is
 14 amended to read as follows:

15 2. For budget years beginning on or after July 1, 2020,
 16 prior to the period of time for distribution of the budget
 17 under [section 384.16, subsection 2](#), the council shall adopt a
 18 resolution establishing the total maximum property tax dollars
 19 that may be certified for levy that includes taxes for city
 20 government purposes under [section 384.1](#), for the city's trust
 21 and agency fund under [section 384.6, subsection 1](#), for the
 22 city's emergency fund for fiscal years beginning before July
 23 1, 2024, under [section 384.8](#), and Code 2023, for fiscal years
 24 beginning before July 1, 2024, the levies authorized under
 25 section 384.12, subsections 8, 10, 11, 12, 13, 17, and 21, Code
 26 2023, and for fiscal years beginning on or after July 1, 2024,
 27 the levies authorized under section 384.12, subsections 1,
 28 3, and 5, but excluding additions approved at election under
 29 section 384.12, subsection 19 4.

30 Sec. 24. Section 384.15A, subsection 5, paragraph b, Code
 31 2023, is amended to read as follows:

32 *b.* (1) If the sum of the maximum property tax dollars for
 33 the budget year specified in the resolution under the levies
 34 specified in [subsection 2](#) exceeds one hundred two percent of
 35 the sum of the current fiscal year's actual property taxes

1 certified for levy under the levies specified in subsection
 2 2, the council shall be required to adopt the resolution by a
 3 two-thirds majority of the membership of the council.

4 (2) For the budget year beginning July 1, 2024, the amount
 5 of the current fiscal year's actual property taxes certified
 6 for levy shall include amounts certified for levy under section
 7 384.12, subsections 8, 10, 11, 12, 13, and 17, Code 2023, under
 8 section 24.48, Code 2023, and under section 384.8, Code 2023.

9 Sec. 25. Section 384.22, subsection 1, Code 2023, is amended
 10 to read as follows:

11 1. Not later than December 1 of each year, a city shall
 12 publish an annual financial report as provided in section
 13 362.3 containing a summary for the preceding fiscal year of
 14 all collections and receipts, all accounts due the city, and
 15 all expenditures, the current public debt of the city, and the
 16 legal debt limit of the city for the current fiscal year. The
 17 annual financial report shall be prepared on forms and pursuant
 18 to instructions prescribed by the auditor of state. Beginning
 19 with the annual financial report published by December 1, 2024,
 20 each report shall include a list of bonds, notes, or other
 21 obligations issued by the city during the preceding fiscal
 22 year payable from any source, including the amount of the
 23 issuance, the project or purpose of the issuance, whether the
 24 issuance was approved at election or eligible to be subject to
 25 a petition for an election, and identification of issuances
 26 from the fiscal year or prior fiscal years related to the same
 27 project or purpose.

28 Sec. 26. Section 384.24, subsection 4, paragraph i, Code
 29 2023, is amended by striking the paragraph.

30 Sec. 27. Section 384.24A, subsection 4, paragraph a,
 31 subparagraphs (1), (2), and (3), Code 2023, are amended to read
 32 as follows:

33 (1) ~~Four~~ Two hundred eighty thousand dollars in a city
 34 having a population of five thousand or less.

35 (2) ~~Seven~~ Four hundred ninety thousand dollars in a city

1 having a population of more than five thousand but not more
2 than seventy-five thousand.

3 (3) ~~One million~~ Seven hundred thousand dollars in a city
4 having a population of more than seventy-five thousand.

5 Sec. 28. Section 384.26, subsection 5, paragraph a,
6 subparagraphs (1), (2), and (3), Code 2023, are amended to read
7 as follows:

8 (1) In cities having a population of five thousand or less,
9 in an amount of not more than ~~four~~ two hundred eighty thousand
10 dollars.

11 (2) In cities having a population of more than five thousand
12 and not more than seventy-five thousand, in an amount of not
13 more than ~~seven~~ four hundred ninety thousand dollars.

14 (3) In cities having a population in excess of seventy-five
15 thousand, in an amount of not more than ~~one million~~ seven
16 hundred thousand dollars.

17 Sec. 29. Section 384.110, Code 2023, is amended to read as
18 follows:

19 **384.110 Insurance, self-insurance, and risk pooling funds.**

20 A city may credit funds to a fund or funds for the purposes
21 authorized by section 364.4, subsection 5; section 384.12,
22 subsection ~~17~~ 3; or section 384.24, subsection 3, paragraph "s".
23 Moneys credited to the fund or funds, and interest earned on
24 such moneys, shall remain in the fund or funds until expended
25 for purposes authorized by section 364.4, subsection 5; section
26 384.12, subsection ~~17~~ 3; or section 384.24, subsection 3,
27 paragraph "s".

28 Sec. 30. REPEAL. Section 384.8, Code 2023, is repealed.

29 Sec. 31. EFFECTIVE DATE. This division of this Act takes
30 effect July 1, 2024.

31 Sec. 32. APPLICABILITY. This division of this Act applies
32 to taxes and budgets for fiscal years beginning on or after
33 July 1, 2024.

34 DIVISION III

35 PUBLIC EDUCATION AND RECREATION TAX LEVY

1 Sec. 33. Section 276.1, Code 2023, is amended to read as
2 follows:

3 **276.1 Title.**

4 This section, sections 276.2 through 276.5, and sections
5 276.8 through ~~276.11~~ 276.10 of this chapter shall be known and
6 may be cited as the "*Iowa Community Education Act*".

7 Sec. 34. Section 276.3, unnumbered paragraph 1, Code 2023,
8 is amended to read as follows:

9 As used in sections 276.1, 276.2, this section, sections
10 276.4, 276.5, and sections 276.8 through ~~276.11~~ 276.10, unless
11 the context otherwise requires:

12 Sec. 35. Section 276.10, subsection 1, Code 2023, is amended
13 to read as follows:

14 1. The board of directors of a local school district
15 may establish a community education program for schools in
16 the district and provide for the general supervision of the
17 program. Financial support for the program ~~shall~~ may be
18 provided from funds ~~raised pursuant to chapter 300~~ received by
19 the school district under chapter 423F and from any private
20 funds and any federal funds made available for the purpose of
21 implementing this chapter. The program which recognizes that
22 the schools belong to the people and which shall be centered
23 in the schools may include but shall not be limited to the use
24 of the school facilities day and night, year round including
25 weekends and regular school vacation periods for educational,
26 recreational, cultural, and other community services and
27 programs for all age, ethnic, and socioeconomic groups residing
28 in the community.

29 Sec. 36. Section 278.1, subsection 1, paragraph e, Code
30 2023, is amended to read as follows:

31 e. Direct the transfer of any surplus in the debt service
32 fund, physical plant and equipment levy fund, or other capital
33 ~~project funds, or public education and recreation levy fund~~ to
34 the general fund.

35 Sec. 37. Section 298A.6, Code 2023, is amended to read as

1 follows:

2 **298A.6 Public education and recreation levy fund.**

3 The public education and recreation levy fund is a special
 4 revenue fund. A public education and recreation levy fund
 5 must be established in any school corporation which ~~levies~~
 6 levied the tax authorized under section 300.2, Code 2023, or
 7 which ~~receives~~ received revenue from a chapter 28E agreement
 8 authorized under section 300.1, Code 2023. Moneys available in
 9 the fund at the conclusion of the fiscal year beginning July 1,
 10 2026, and ending June 30, 2027, shall be expended by the school
 11 corporation for the purposes authorized under chapter 300, Code
 12 2023.

13 Sec. 38. Section 300.2, Code 2023, is amended by adding the
 14 following new subsection:

15 NEW SUBSECTION. 4. *a.* A levy under this chapter shall not
 16 be approved by the voters on or after the effective date of
 17 this section of this division of this Act.

18 *b.* If the levy has not been discontinued under section
 19 300.3, the authorization to impose the levy under this chapter
 20 shall terminate July 1, 2027.

21 *c.* Notwithstanding subsection 2, including a proposition
 22 approved at an election held before the effective date of
 23 this section of this division of this Act, the rate of a levy
 24 imposed by a board of directors under this chapter for the
 25 fiscal year beginning July 1, 2026, shall not exceed one-half
 26 of the levy rate imposed by the board of directors for the
 27 fiscal year beginning July 1, 2025.

28 Sec. 39. Section 423F.3, subsection 1, paragraph c, Code
 29 2023, is amended by striking the paragraph.

30 Sec. 40. Section 423F.5, subsection 1, Code 2023, is amended
 31 to read as follows:

32 1. A school district shall include as part of its financial
 33 audit for the budget year beginning July 1, 2007, and for
 34 each subsequent budget year the amount received during the
 35 year pursuant to chapter 423E or this chapter, as applicable.

1 In addition, the financial audit shall include the amount
 2 of bond levies, and physical plant and equipment levy, ~~and~~
 3 ~~public educational and recreational levy~~ reduced as a result
 4 of the moneys received under [chapter 423E](#) or [this chapter](#),
 5 as applicable. The amount of the reductions shall be stated
 6 in terms of dollars and cents per one thousand dollars of
 7 valuation and in total amount of property tax dollars. Also
 8 included shall be an accounting of the amount of moneys
 9 received which were spent for infrastructure purposes pursuant
 10 to [chapter 423E](#) or [this chapter](#), as applicable.

11 Sec. 41. REPEAL. Sections 276.11 and 276.12, Code 2023,
 12 are repealed.

13 Sec. 42. REPEAL. Chapter 300, Code 2023, is repealed.

14 Sec. 43. EFFECTIVE DATE. Except as otherwise provided in
 15 this division of this Act, this division of this Act takes
 16 effect July 1, 2027.

17 Sec. 44. EFFECTIVE DATE. The following, being deemed of
 18 immediate importance, takes effect upon enactment:

19 The section of this division of this Act enacting section
 20 300.2, subsection 4.

21 Sec. 45. APPLICABILITY. Except for the section of this
 22 division of this Act enacting section 300.2, subsection 4, this
 23 division of this Act applies to fiscal years beginning on or
 24 after July 1, 2027.

25 DIVISION IV

26 BRUCELLOSIS AND TUBERCULOSIS ERADICATION FUND — LEVY

27 Sec. 46. Section 165.18, subsections 2 and 3, Code 2023, are
 28 amended by striking the subsections.

29 Sec. 47. Section 331.512, subsection 1, paragraph e, Code
 30 2023, is amended by striking the paragraph.

31 Sec. 48. Section 331.559, subsection 2, Code 2023, is
 32 amended by striking the subsection.

33 Sec. 49. EFFECTIVE DATE. This division of this Act takes
 34 effect July 1, 2024.

35 Sec. 50. APPLICABILITY. This division of this Act applies

1 to property taxes due and payable in fiscal years beginning on
2 or after July 1, 2024.

3 DIVISION V

4 COUNTY SEATS

5 Sec. 51. Section 331.301, Code 2023, is amended by adding
6 the following new subsection:

7 NEW SUBSECTION. 9A. Pursuant to the general grant of home
8 rule power conferred by the Constitution of the State of Iowa
9 and if not inconsistent with the laws of the general assembly,
10 a county that has designated more than one city to be a county
11 seat may consolidate or reduce the number of county seats by
12 ordinance.

13 Sec. 52. REPEAL. 1848 Iowa Acts, First Extraordinary
14 Session, chapter 52, is repealed.

15 Sec. 53. EFFECTIVE DATE. This division of this Act, being
16 deemed of immediate importance, takes effect upon enactment.

17 EXPLANATION

18 The inclusion of this explanation does not constitute agreement with
19 the explanation's substance by the members of the general assembly.

20 This bill relates to local government property taxes,
21 financial authority, and budgets.

22 DIVISION I — COUNTY PROPERTY TAXES AND BUDGETS. Code
23 section 331.301(10) governs a county's authority to enter into
24 leases and lease-purchase contracts and, in part, subjects
25 leases and lease-purchase agreements for real property to
26 procedures for approval at an election following a petition
27 if the principal amount of the contract exceeds specified
28 thresholds categorized by county population. The bill reduces
29 the thresholds for each category by 30 percent. The bill
30 similarly reduces a threshold relating to when a lease or
31 lease-purchase contract is not subject to approval procedures
32 similar to essential county purposes bonds.

33 Code section 331.402(3) governs a county's authority
34 to enter into loan agreements and, in part, subjects loan
35 agreements for real property to procedures for approval at an

1 election following a petition if the principal amount of the
2 contract exceeds specified thresholds categorized by county
3 population. The bill reduces the thresholds for each category
4 by 30 percent.

5 Code section 331.403 requires each county to prepare and
6 file an annual financial report. The bill requires that
7 beginning with the annual financial report filed by December 1,
8 2024, each such report shall include a list of bonds, notes,
9 or other obligations issued by the county during the preceding
10 fiscal year payable from any source, including the amount of
11 the issuance, the project or purpose of the issuance, whether
12 the issuance was approved at election or eligible to be subject
13 to a petition for an election, and identification of issuances
14 from the fiscal year or prior fiscal years related to the same
15 project or purpose.

16 Code section 331.423 establishes a levy rate limitation
17 for the general county services levy of \$3.50 per \$1,000
18 of assessed value of taxable property in the county and a
19 limitation for the rural county services levy of \$3.95 per
20 \$1,000 of assessed value of taxable property in the county.

21 The bill modifies the general county services levy rate
22 limitation for the fiscal year beginning July 1, 2024, to be a
23 levy rate not to exceed the sum of \$3.50 plus the levy rate of
24 the county under Code section 331.424, subsection 1, paragraph
25 "a", subparagraph (6) (maintenance and operation of courts),
26 Code 2023, for the fiscal year beginning July 1, 2023, plus
27 the levy rate for general county services under Code section
28 331.426, Code 2023, for the fiscal year beginning July 1, 2023.
29 The bill then provides that for each fiscal year beginning on
30 or after July 1, 2025, the general county services levy rate
31 limitation is the greater of \$3.50 per \$1,000 of taxable value
32 and the limitation determined for the preceding fiscal year,
33 as adjusted under the bill. If the total assessed value used
34 to calculate taxes for general county services for the budget
35 year exceeds 102.5 percent of the total assessed value used

1 to calculate taxes for the current fiscal year, the levy rate
2 amount per \$1,000 for the preceding fiscal year, if applicable,
3 shall be reduced to a rate that is equal to 1,000 multiplied
4 by the quotient of the current fiscal year's actual property
5 tax dollars certified for levy divided by 102.5 percent of the
6 total assessed value used to calculate taxes for the current
7 fiscal year.

8 In addition to that levy limitation, for fiscal years
9 beginning on or after July 1, 2025, if the county's actual levy
10 rate for general county services for the current fiscal year
11 is \$3.50 or less per \$1,000 of assessed value and the total
12 assessed value used to calculate taxes for the budget year
13 exceeds 103.25 percent of the total assessed value used to
14 calculate taxes for the current fiscal year, the levy rate for
15 general county services for the budget year shall not exceed
16 the rate per \$1,000 of assessed value that is equal to 1,000
17 multiplied by the quotient of the current fiscal year's actual
18 property tax dollars certified for levy for general county
19 services divided by 103.25 percent of the total assessed value
20 used to calculate taxes for the current fiscal year.

21 The bill similarly modifies the maximum levy rate for rural
22 county services for the fiscal year beginning July 1, 2024, to
23 be a levy rate equal to the sum of \$3.95 plus the rate levied
24 for rural county services under section 331.426, Code 2023, for
25 the fiscal year beginning July 1, 2023. For each fiscal year
26 beginning on or after July 1, 2025, the maximum levy rate is
27 the greater of \$3.95 and the levy rate for the preceding fiscal
28 year as adjusted under the bill. The bill provides that if the
29 total assessed value used to calculate taxes for rural county
30 services for the budget year exceeds 102.5 percent of the total
31 assessed value used to calculate taxes for the current fiscal
32 year, the levy rate, as previously adjusted under the bill,
33 if applicable, shall be reduced to a rate that is equal to
34 1,000 multiplied by the quotient of the current fiscal year's
35 actual property tax dollars certified for levy for rural county

1 services divided by 102.5 percent of the total assessed value
2 used to calculate taxes for the current fiscal year.

3 In addition to that levy limitation, for fiscal years
4 beginning on or after July 1, 2025, if the county's actual
5 levy rate for rural county services for the current fiscal
6 year is \$3.95 or less per \$1,000 of assessed value and the
7 total assessed value used to calculate taxes for the budget
8 year exceeds 103.25 percent of the total assessed value used
9 to calculate taxes for the current fiscal year, the levy
10 rate for rural county services for the budget year shall not
11 exceed the rate per \$1,000 of assessed value that is equal to
12 1,000 multiplied by the quotient of the current fiscal year's
13 actual property tax dollars certified for levy for rural county
14 services divided by 103.25 percent of the total assessed value
15 used to calculate taxes for the current fiscal year.

16 The bill strikes the authority of a county to impose a
17 supplemental levy under Code section 331.424 for maintenance
18 and operation of the courts and, if the county imposed such a
19 levy in the fiscal year beginning July 1, 2023, increases the
20 county's general services levy rate authority by such levy rate
21 amount as previously described.

22 Code section 331.426 authorizes a county experiencing
23 unusual circumstances, including increases in population,
24 natural disaster or emergency, problems relating to major
25 new functions required by state law, staffing problems, need
26 for additional moneys to continue certain programs, need for
27 new county programs that provide a substantial benefit to
28 residents, and reduced or unusually low growth rate in the
29 county, to levy additional property taxes for general county
30 services or rural county services. If the county imposed such
31 levies in the fiscal year beginning July 1, 2023, the bill
32 increases the county's applicable general services levy rate
33 authority by such levy rate amounts as previously described.
34 The bill strikes authority to levy such additional taxes for
35 all unusual circumstances except a natural disaster.

1 The bill modifies the provisions of Code section 331.433A
2 relating to the approval procedures for a county budget to
3 account for the modification of levy amount and rate changes
4 in the bill.

5 Code section 331.441(2)(b) defines "essential county
6 purpose" to include public buildings, including the site
7 or grounds of, and the erection, equipment, remodeling,
8 or reconstruction of, and additions or extensions to the
9 buildings, and including the provision and maintenance of
10 juvenile detention or shelter care facilities, when the
11 cost does not exceed specified thresholds based on county
12 population. The bill reduces each of the threshold amounts by
13 30 percent. The bill also strikes "[a]ny other purpose which
14 is necessary for the operation of the county or the health and
15 welfare of its citizens" from the definition of "general county
16 purpose" under Code section 331.441(2)(c).

17 Code section 331.442 governs county procedures for the
18 issuance of general county purpose bonds. In lieu of calling
19 an election, the board of supervisors may institute proceedings
20 for the issuance of bonds for a general county purpose by
21 publishing a notice of the proposal to issue the bonds,
22 including a statement of the amount and purpose of the bonds,
23 and the right to petition for an election if the amount of the
24 bonds is less than specified threshold amounts based on county
25 population. The bill reduces each of the threshold amounts by
26 30 percent.

27 Division I of the bill takes effect July 1, 2024, and applies
28 to county taxes and budgets for fiscal years beginning on or
29 after July 1, 2024.

30 DIVISION II — CITY PROPERTY TAXES. Code section 384.1
31 establishes the city general fund levy and limits the levy rate
32 on property that is not used and assessed for agricultural or
33 horticultural purposes at \$8.10 per \$1,000 of taxable value.
34 This bill modifies the levy rate limit for the fiscal year
35 beginning July 1, 2024, to not exceed the sum of \$8.10 plus the

1 following for the applicable city: (1) the levy rate under
2 Code section 384.8, Code 2023, for the fiscal year beginning
3 July 1, 2023; (2) the total levy rate levied by or on behalf of
4 the city under Code section 384.12, subsections 1, 2, 3, 4, 5,
5 6, 7, 8, 9, 11, 12, 13, 15, 16, 18, and 20, Code 2023, for the
6 fiscal year beginning July 1, 2023; and (3) the levy rate of
7 the city under Code section 24.48, Code 2023, for the fiscal
8 year beginning July 1, 2023.

9 For each fiscal year beginning on or after July 1, 2025, a
10 city's tax levy rate for the general fund, except for levies
11 authorized in Code section 384.12, shall not exceed in any tax
12 year the greater of \$8.10 per \$1,000 and the amount determined
13 under the bill for the prior year, as adjusted under the bill.
14 The bill provides that if the total assessed value used to
15 calculate taxes for the budget year exceeds 102.5 percent
16 of the total assessed value used to calculate taxes for the
17 current fiscal year, the levy rate, as previously adjusted
18 under the bill, if applicable, shall be reduced to a rate that
19 is equal to 1,000 multiplied by the quotient of the current
20 fiscal year's actual property tax dollars certified for levy
21 under Code section 384.1 divided by 102.5 percent of the total
22 assessed value used to calculate taxes for the current fiscal
23 year.

24 In addition to that levy limitation, for fiscal years
25 beginning on or after July 1, 2025, if the city's actual levy
26 rate for the general fund for the current fiscal year is \$8.10
27 or less per \$1,000 of assessed value and the total assessed
28 value used to calculate taxes for the budget year exceeds
29 103.25 percent of the total assessed value used to calculate
30 taxes for the current fiscal year, the levy rate for the
31 general fund for the budget year shall not exceed the rate per
32 \$1,000 of assessed value that is equal to 1,000 multiplied by
33 the quotient of the current fiscal year's actual property tax
34 dollars certified for levy under Code section 384.1 divided by
35 103.25 percent of the total assessed value used to calculate

1 taxes for the current fiscal year.

2 Code section 384.12 authorizes a city to levy various
3 other additional taxes that under current law are not subject
4 to the \$8.10 levy limit. The bill strikes several of the
5 purposes for which a city may levy an additional tax and if
6 the county imposed such levies in the fiscal year beginning
7 July 1, 2023, increases the county's general services levy rate
8 authority under Code section 384.1 by such levy rate amounts
9 as previously described.

10 Code section 24.48, in part, authorizes a city with a reduced
11 property tax base or unusually low growth rate or experiencing
12 unusual circumstances, including increases in population,
13 natural disaster or emergency, problems relating to major new
14 functions required by state law, staffing problems, need for
15 additional moneys to continue certain programs, and need for
16 new programs that provide a substantial benefit to residents,
17 to appeal to the state appeal board to suspend levy limitations
18 and levy additional property taxes. The bill provides that for
19 budgets for fiscal years beginning on or after July 1, 2024,
20 suspension of the statutory property tax levy limitations for a
21 city shall only be approved for a natural disaster.

22 The bill repeals Code section 384.8, which authorizes a
23 \$0.27 city emergency fund levy and makes corresponding changes
24 to other provisions of law relating to the change in funding
25 for emergency medical services districts under Code chapter
26 357G and the modification of city supplemental property tax
27 levies and the city's general fund levy under Code section
28 384.1.

29 Code section 384.22 requires each city to prepare and
30 publish an annual financial report. The bill requires that
31 beginning with the annual financial report published by
32 December 1, 2024, each such report shall include a list of
33 bonds, notes, or other obligations issued by the city during
34 the preceding fiscal year payable from any source, including
35 the amount of the issuance, the project or purpose of the

1 issuance, whether the issuance was approved at election or
2 eligible to be subject to a petition for an election, and
3 identification of issuances from the fiscal year or prior
4 fiscal years related to the same project or purpose.

5 The bill strikes "[a]ny other purpose which is necessary
6 for the operation of the city or the health and welfare of its
7 citizens" from the definition of "general corporate purpose"
8 under Code section 384.24(4).

9 Code section 384.24A(4) governs a city's authority to enter
10 into loan agreements and, in part, subjects loan agreements
11 for real property to procedures for approval at an election
12 following a petition if the principal amount of the contract
13 exceeds specified thresholds categorized by city population.
14 The bill reduces the contract amount thresholds for each
15 category by 30 percent.

16 Code section 384.26 governs city procedures for the issuance
17 of city general corporate purpose bonds. In lieu of calling an
18 election, the city council may institute proceedings for the
19 issuance of bonds for a general corporate purpose by publishing
20 a notice of the proposal to issue the bonds, including a
21 statement of the amount and purpose of the bonds, and the right
22 to petition for an election if the amount of the bonds is less
23 than specified threshold amounts based on city population. The
24 bill reduces each of the threshold amounts by 30 percent.

25 Division II takes effect July 1, 2024, and applies to taxes
26 and budgets for fiscal years beginning on or after July 1,
27 2024.

28 DIVISION III — PUBLIC EDUCATION AND RECREATIONAL TAX LEVY.
29 Code chapter 300 authorizes the imposition of a voter-approved
30 property tax levy for the establishment and maintenance
31 of public recreation places and playgrounds, and necessary
32 accommodations for the recreation places and playgrounds, in
33 the public school buildings and grounds of the district. Code
34 chapter 300 also authorizes each school board to cooperate
35 with public or private agencies having custody and management

1 of public parks or buildings or grounds open to the public
2 for the supervision and instruction necessary to carry on
3 public educational and recreational activities in the parks,
4 buildings, and grounds located within the district. Such
5 activities may be supported by imposition of a voter-approved
6 property tax levy not to exceed 13.5 cents per \$1,000 of
7 assessed value. The property tax levy under Code chapter 300
8 also provides financial support to community education programs
9 established under Code chapter 276, which provide educational,
10 recreational, cultural, and other community services and
11 programs.

12 The bill repeals Code chapter 300 and makes corresponding
13 amendments to other provisions of law effective July 1, 2027,
14 and applies to fiscal years beginning on or after July 1,
15 2027. The bill provides that financial support for a community
16 education program under Code chapter 276 may be provided from
17 funds received by the school district under Code chapter 423F.
18 By operation of the definition of "school infrastructure" under
19 Code section 423F.3(6)(a)(1), moneys received by a school
20 district from the secure an advanced vision for education fund
21 may continue to be utilized for activities previously provided
22 for under Code chapter 300 and Code chapter 276.

23 The bill prohibits a levy under Code chapter 300 from being
24 approved at election on or after the effective date of the
25 provision in the bill, which is effective upon enactment, and
26 limits the rate at which previously approved levies can be
27 imposed for the fiscal year beginning July 1, 2026.

28 The bill also provides that moneys available in the public
29 education and recreation levy fund at the conclusion of the
30 fiscal year beginning July 1, 2026, and ending June 30, 2026,
31 shall be expended by the school corporation for the purposes
32 authorized under Code chapter 300, Code 2023.

33 DIVISION IV — BRUCellosis AND TUBERCULOSIS ERADICATION
34 FUND — LEVY. Code section 165.18 authorizes the secretary of
35 agriculture to direct the board of supervisors of each county

1 to levy an amount sufficient to pay the expenses estimated to
2 be incurred from the brucellosis and tuberculosis eradication
3 fund for the following fiscal year, subject to a maximum levy
4 of 33.75 cents per \$1,000. The bill strikes the authority to
5 levy such a tax beginning with property taxes due and payable
6 in fiscal years beginning July 1, 2024.

7 DIVISION V — COUNTY SEATS. The bill specifies that pursuant
8 to the general grant of home rule power conferred by the
9 Constitution of the State of Iowa and if not inconsistent with
10 the laws of the general assembly, a county that has designated
11 more than one city to be a county seat may consolidate or
12 reduce the number of county seats by ordinance. The bill also
13 repeals 1848 Iowa Acts, First Extraordinary Session, chapter
14 52, which in part required Lee County to maintain a district
15 court at Fort Madison and the city of Keokuk, required the
16 clerk of district court to keep an office at Fort Madison and
17 the city of Keokuk, and required the sheriff of Lee County to
18 keep an office at Fort Madison and the city of Keokuk.
19 Division V of the bill takes effect upon enactment.